

**AMENDMENT AND SUMMARY MATERIAL MODIFICATION
TO THE CITY OF BLOOMINGTON
FLEXIBLE BENEFITS PLAN (Health FSA)**

This Amendment is being issued for attachment to the City of Bloomington 2014-2015 Flexible Benefits Plan Document and Summary Plan Description (SPD). It is also intended for distribution to the Participants in the Flexible Benefits Plan as a Summary of a Material Modification to the Summary Plan Description. The terms of this Amendment have been adopted and executed by the City Of Bloomington.

All of the terms and conditions stated in the Plan Document and SPD continue in effect unless specifically changed by the terms of this Amendment.

As part of its Employee benefit package, your Employer has arranged for contributions to be made to a Health Savings Account (HSA) for Employees enrolled in the qualified high deductible health plan ("HDHP") option effective January 1, 2016 or later. An HSA is a tax advantaged savings account held in trust by a Custodial Bank for the payment of medical expenses under Section 223 to the Internal Revenue Code. An Employee who elects to participate in a Health Savings Account offered in conjunction with the HDHP cannot be enrolled under a full benefit Health FSA. A Participant is required to make an election before the start of the Plan Year, or before the first day of their coverage, showing the amount contributed to an HSA tax free under this Plan. A Participant will be able to change their HSA election for any month in the Plan Year for any reason regardless of whether the Employee can show a Change In Status Event.

Enrollment Restriction. An Employee who contributes to a Health Savings Account can only participate in a limited Health FSA. A limited Health FSA only provides reimbursements for Qualified Expenses that are for dental, vision services, and services provided after the minimum annual HDHP deductible under section 223(c)(2)(A)(i) is satisfied. The limited Health FSA will not provide reimbursement for any other service or supply regardless of whether that service or supply is allowed by the IRS as a medical expense, or allowed under a full Health FSA.

In order to contribute to an HSA Account through a salary reduction agreement, you must provide your Employer with a newly executed Salary Reduction Agreement before the beginning of any Plan Year or prior to the first day of coverage when enrollment is allowed during the Plan Year. You must execute a Salary Reduction Agreement that authorizes your Employer to reduce your Compensation in the amount elected to fund your HSA account.

Limited Health FSA Coverage. Any Employee who contributes to a Health Savings Account and elects to participate in this Health FSA will automatically be placed in a limited Health FSA. Any other Employee who contributes to a Health Savings Account and who elects to participate in this Health FSA may submit a written request to the Benefits Coordinator to be placed in a limited Health FSA

A limited Health FSA will only provide reimbursements for Qualified Expenses that are described below, as allowed by the IRS. The limited Health FSA will not provide reimbursement for any other service or supply regardless of whether that service or supply is allowed under a Health FSA by the IRS, or allowed under the terms of a full Health FSA. All requirements for a Qualified Expenses stated in this Summary Plan Description are applied to claims submitted.

Covered Dental And Vision Services. A Qualified Expense under a limited Health FSA is limited to dental and vision services or supplies that are excluded from coverage under your high deductible health plan. Some dental and vision services may be considered medical in nature and are covered under your high deductible health plan. A dental or vision service covered by your high deductible health plan cannot be reimbursed under this Health FSA even if the cost for the service was credited towards your deductible.

Services after the minimum annual HDHP Deductible has been satisfied

After the minimum annual HDHP deductible under section 223(c)(2)(A)(i) has been satisfied, you can submit and obtain reimbursement for qualified expenses that are not covered by the HDHP. You will be required to submit an Explanation of Benefits ("EOB") from the insurance carrier that administers the HDHP. The EOB needs to show that the HDHP deductible has been satisfied and the portion of the expense that has been submitted for reimbursement under this Plan was not applied to the HDHP deductible.

Executed this _____ day of _____, _____.

City Of Bloomington

By: _____

Printed: _____

Title: _____